How StarStone Specialty Insurance leveraged **unstructured data to improve underwriting and went on to win Celent's 2017 Model Insurer Award.**

In 2015, StarStone Insurance, a global specialty insurer providing a diversified range of property, casualty and specialty insurance to customers worldwide decided to evaluate how it could improve some aspects of its business.

This included submissions decision making process, understanding of the risks being written, the ability to develop accurate risk profiles to validate agent submission data and to increase agent collaboration and visibility.

intellect SEEC™

CELENT MODEL INSURER

STARSTONE

The problem

At the time, StarStone recognized the advantages of unstructured data-driven decision making. StarStone teamed up with Intellect SEEC to introduce a set of unconventional underwriting criteria.

The implementation started in July 2016 and the solution was delivered in two months and went live in September 2016.

RISK EVALUATION

The objective of the project was to deliver faster decisions, reduce the loss ratio, and enrich the data sets used to evaluate the risk being written.

IMPROVED RESULTS

Analyzing web content posed StarStone a challenge, but with Intellect SEEC Search and Big Data teams' support, improved results could be achieved quickly.

DIASY

A tool called DIASY (Dynamic Insurance Alert System) was developed. It has the ability to define alert words, analyze content and get user feedback to refine the criteria in real time.

ALERTS

The user experience team designed a configurable dashboard that let underwriters subscribe to alerts they wanted to see, so they are not overwhelmed by the amount of data.

The outcome

StarStone is experiencing a string of benefits including underwriting decision-making time reduced by 70% and the cost of reports from premium data sources reduced by 40%.

Additionally, the Intellect Risk Analyst platform was able to identify two out of 30 accounts to be declined which would

have otherwise resulted in claims, upwards of $6.5 million.

These dramatic results were recognised by Celent, the Analyst firm as they awarded StarStone, the Model Insurer of 2017.

Data enriched

The new system allows for identification and analysis of new data points for underwriting, using big data and AI.

Faster decisions

The new system put in place allowed for much faster decisions. It reduced the time to make underwriting decisions by 70%.

Loss ratio reduced

While it is hard to prove a negative, it is the company's best estimate that the implementation of the Intellect Risk Analyst platform and deep web searches will reduce the ultimate loss ratio in 2016, conservatively by 3% over time. This is a material amount that will result in millions in increased underwriting profit. As the insurer expands the trigger words to more classes of business and more underwriting divisions of StarStone, that estimate may go even higher.

Tools and Technologies

AWS
AWS: ELB, EC2, EBS, MQ, RDS, S3, Redis, ElastiCache, CloudWatch, CloudTrail, Trusted Advisor, Glacier, Bees With Machine Guns,

Other
Java, ExtJS, KeyCloak, Kong, JBoss, JSON, JWT, Elastic Search, FluentD, Kibana, Mongo Atlas, Spark, Kafka, Python, Kubernetes, TwistLock, Ansible, DataDog, Terraform, Vault